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June 26, 2012

VIA U.S. MAIL

Mr. Mike Gannon
Board Chairman
Upper Cumberland Development District
1225 South Willow Avenue
Cookeville, TN 38506

Mr. Randy Williams
Interim Director
Upper Cumberland Development District
1225 South Willow Avenue
Cookeville, TN 38506

RE: Ashley Pealer and Kathy Pealer

Gentlemen:

I have been employed to represent Ms. Ashley Pealer and Ms. Kathy Pealer with regard to the unlawful termination of their employment with your organization. It is my understanding that papers have been circulated for the purpose of convening a meeting of the Board to discuss the adverse job actions experienced by my clients. I respectfully insist that I be allowed to attend this meeting as their attorney and to address the Board on their behalf.

As you know, your agency has been the subject of extensive investigative reporting regarding allegations of gross mismanagement of the agency by its former Chief Executive Officer, Ms. Wendy Askins. Criminal investigations, including inquiries by the Federal Bureau of Investigation (FBI) are underway. You will be well advised to take these matters seriously. I would particularly call your attention to 18 U.S.C. § 666 which has to do with fraudulent activities involving amounts greater than five thousand (\$5,000.00) dollars touching upon agencies which receive federal assistance, as your organization does.

DEMAND FOR REINSTATEMENT

In Tennessee, it is contrary to law and actionable to retaliate against an at will employee who refuses to remain silent about or to participate in unlawful activities. My clients have done just that and the evidence is clear that they have been subjected to retaliation.

My clients demand that they be reinstated with back pay, forthwith. If you fail to do so, then it is our intention to file suit in a Court of appropriate jurisdiction. Such litigation will involve extensive discovery and will be expensive in every respect.

SPOILATION OF EVIDENCE

You are further advised pursuant to Rule 34 A.02 of the Tennessee Rules of Civil Procedure of my clients' intent to seek sanctions pursuant to Rule 37, T.R.C.P. against you or

Mr. Mike Gannon/Mr. Randy Williams

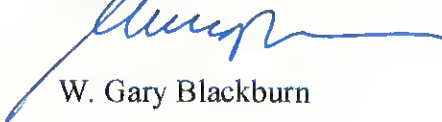
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any agent of the Agency that discards, destroys, mutilates, alters or conceals evidence. Evidence will include, but not limited to, all internal communications regardless of media employed.

If the agency would behave in a rational fashion and bring back to its employment two highly capable, trustworthy and honest persons, then I would be pleased to sit down with you or with your attorney and negotiate the terms. Failing at that, I can assure you that this grossly inappropriate conduct will not go unremedied.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Gary Blackburn", with a long horizontal flourish extending to the right.

W. Gary Blackburn

WGB/ds

cc: Ms. Ashley Pealer
Ms. Kathy Pealer